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ABSTRACT

A third-grade class and fifth-grade remedial reading students gained a positive attitude toward contemporary economic problems by studying economics as a puzzle in this award-winning project. The following concepts were each approached as pieces of the puzzle to be solved: money, wants and needs, income, goods and services, scarcity, consumption and production, inflation, taxes, market economy, public and private enterprise, resources, productivity, decisionmaking, and interdependence. Students were introduced to the unit through a current events study of the economic components of the 1980 presidential campaign platforms and the creation of a "good" and "bad" economic news bulletin board. Unit activities were many and varied and included studying the costs of favorite foods, enacting role plays, writing a story on the life of a $10 bill, listening to quest presentations on city services and school finances, conducting interviews, creating bulletin boards and murals, and taking a field trip to a local mall and supermarket. Students concluded their unit of study through several major projects: advertising and marketing hats, writing an economics newsletter, and conducting a schoolwide open house in which their economics activities were displayed. Project evaluation materials and a bibliography are included. (LP)

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ECONOMICS - A PUZZLE

THE PEOPLE POWER SOLUTION

A third-grade class and a fifth-grade remedial reading group worked together to solve an economics puzzle. Together, the students found the people power solution - economic education.

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by

Glenda Bartlett

and

Marlene H. Price

1980-81

SO 015 118

Sequoyah Elementary School
West 12th Street
Russellville, Arkansas 72801

Economics - A Puzzle The People Power Solution

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Economics (its terms and concepts) is a puzzle to students as they live daily in our economic world without economic education. Much of our economic news recently has been gloomy. As teachers, we have observed children (as well as adults) quite concerned about economic matters. For children, their worries are compounded because they do not understand our economic system. Lack of understanding creates additional fears and worry.

Our overall goal for this economic study was to help children gain a more positive attitude toward our economic problems. We wanted the students to gain economic knowledge and, therefore, develop a more positive outlook on our country's economic future.

Our specific objectives were:

To show students that economics is an exciting subject to study because it affects everyone's daily lives.

To help sutdents acquire a background of experiences and the vocabulary for understanding economic concepts.

To provide opportunities for students to recognize economics in action - in their homes, school, and community.

To help students understand that people make wiser decisions when they have a basic knowledge of economics.

To show that positive solutions to economic problems can be found.

We kept our goals very much in focus throughout our economic study in the form of an original theme

song. We sang "It's People Power, U.S.A." (to the tune "This Land is Your Land"). The words to our theme song reflected the objectives and goals of our economic study.

As we were learning
About economics
Some said the future
was really gloomy
But we have learned that
We can make changes -
It's People Power, U.S.A.

If we will learn more
of economics,
about our taxes,
Income and services
We can be smart citizens.
We can make good choices.
It's People Power, U.S.A.

We put together
Economy's puzzle,
Its pieces are all
Interdependent.
We found some problems,
We'll find solutions,
It's People Power, U.S.A.

If we will learn more
of economics,
wants, needs, resources,
Inflation and money,
We can be smart citizens,
We can make good choices,
It's People Power, U.S.A.

How did a third-grade teacher and a remedial-reading teacher get together for a joint economic project? We both realized the value of economic education and we shared a love of providing meaningful learning experiences for children. We wanted to combine our ideas and talents to develop a comprehensive

economic project for a third-grade class and a group of fifth-grade remedial reading students. There were twenty third-graders, the majority of average or above ability levels. The fifth-grade remedial reading group (ten students) had reading levels from 3.0 to 4.5. Our main study lasted nine weeks with one hour per day set aside for the reading students to work with the third-grade classroom under the direction of both teachers.

The initial preparation for our economic study began in November of 1980. The PTEU (Primary Test of Economic Understanding) was administered in November. The students acted as if it was one of the hardest tests they had ever taken, and it might have been, for we discovered they had little experience with economic terms and concepts (mean 13.00 percentile 13).

Playing the part of newspaper reporter, Mrs. Bartlett questioned her third-grade students about the meaning of economics. Most students did not have an understanding of the term, but many said they had heard it on the news or from their parents. The students were very interested in the current presidential campaign and were actively campaigning for their parents' choice of candidates. Many of their parents' opinions were based on economic reasons. As the election approached, the students participated in a mock election. President Reagan's

economic platform had influenced many students through their parents, and he won our election.

The fifth-grade remedial students were interviewed about what economic problems concerned them. Most said that things cost too much, like gas, food, and taxes. Some said they would never be able to get a new house.

Following the election, the students continued to show interest in the news and often shared something they had seen or heard. When the major thrust of our economic study began in March we added the newspaper as a source of information and enlisted parents as helpers to aid their child in locating economic related articles. We prepared an economic news bulletin board and a giant "Economic News Scrapbook."

We displayed economic terms we planned to study during our project on large puzzle pieces on a bulletin board. The puzzle pieces were not put together but were mixed up. Individual folders were prepared for the students' work and the cover contained the puzzle pattern. As terms from the giant puzzle were studied, the students put together the same puzzle on their folders. A puzzle has a solution, and we were prepared to begin putting it together.

The bulletin board contained an area for "GOOD NEWS" and "BAD NEWS." There was an area in-between labeled "TRADE-OFFS." In our ongoing discussions of

economic news, throughout our study, there were some articles that pointed out news that was good for some and bad for others. We learned that "good" or "bad" news sometimes depends on your own personal economic interests. The more we discussed and thought about all aspects of a given situation, the more articles we posted under "TRADE-OFFS."

Our preliminary activities with the students and especially their watching for economic related news made them aware of the importance of money in a national and international sense. These questions came up: Where did money come from? Who invented it? We viewed the film "Money" which provided us with an excellent history of money. The students learned about bartering, coin usage, and banking. Most of the students were truly fascinated that shells, feathers, and other items had been used in the past as money. Our film "Economics, The Credit Card" showed us that money is still evolving.

We had discussions about what we could "barter" or "trade" today for things we want. Students realized that the value of what they might have to "barter" would depend on whether a potential trader might want it. The students made cartoons and drawings depicting bartering scenes and the evolution of money and these

were placed on the History of Money Bulletin Board. Some students also wrote a paragraph on the history of money for their economic folder. We placed the booklet "The Story of Money" in our economic reading center.

Our class discussion of the terms "wants and needs" began by asking students what the terms meant. We soon found ourselves looking up the terms in a dictionary. We compiled a list of wants and needs on the chalkboard. Students contributed the examples and we wrote everything down they said, including "air", "love", and "being a famous ball player." Then we went through the list to determine which items could be purchased with money. Then we divided the list into items that we had to have to live (needs) and those items which we might want but were not necessary for life (wants).

In order to bring the acquisition of needs and wants into the child's experience, we had the students decide whether they themselves or their parents had the economic resources (money) for the items on the list. We also asked them to consider if the purchase of anything on the list was impossible now. (One student decided the diesel truck (18 wheeler) would fit in this category.)

One boy had a go-cart on his list. He knew his mother could not buy it, so he said he could buy it when he grew up. This led to discussion of economic

goals and how our wants change with age, taste, interests, etc. "Would you still want the go-cart then?" Impossible to answer for sure but food for economic thought. The discussion of items on each student's list then included the factor of change.

The students really grasped then, the variety of wants and needs of many people from newborn babies to elderly citizens, and that our economy is based on the satisfaction of wants and needs.

Oh, yes, on our list we crossed off the things money can't buy like love, friends, and happiness - although we recognized that these were non-economic needs.

The next day after our lesson on wants and needs, we briefly reviewed the meanings then posed the question, "How do we satisfy our wants and needs?" Answers revealed that the students knew you had to have money and that the money usually always came from parents.

This led into our lesson on the puzzle piece "income." We defined income, and pointed out the words wages and salary. We talked about varying incomes for different jobs and that it takes income for your needs (food, shelter, clothing, medical care) to be met before you should buy the wants.

We then viewed the film "Earning and Spending." This film depicted families from three countries (Japan,

Mexico, and America) and how they earned and spent their income. We learned that families can spend less money if they do some things for themselves and buy wisely.

Our previous lessons on wants and needs, and income provided the economic interest in the next puzzle piece "goods and services." We reviewed that we use our income to buy wants and needs, which come in the form of goods and services. We viewed the film "We Want Goods and Services."

After the film, we discussed what we might buy and we classified the items as goods or services. We went on to illustrate that a person's job may be to produce goods or to provide a service. The students told their parents' occupations and, as a group, we decided if the jobs were related to producing goods or providing services.

Although scarcity had been referred to in our previous discussion of money and bartering (as to what made something valuable), we introduced the "scarcity" puzzle piece along with our activities on "wants and needs" and "goods and services."

Of particular interest to the students was the question posed, "Why is peanut butter so expensive right now?" Some misconceptions included the answer that grocery stores wanted to make more money, or the

peanut farmers wanted more money. We then discussed the unusually hot, dry summer we had last year and what it did to gardens and crops. One student, evidently grasping that the shortage increased the price, remarked, "Oh, then, if we have good peanut crops this year, the price of peanut butter should come down." We also discussed other products they had heard their parents say were increasing from time to time, such as sugar and coffee.

The students were asked to watch the news for other items that might illustrate scarcity and the relationship between supply and demand.

The terms "consumer and producer" were introduced by role-playing. Hats were made and labeled either producer or consumer. We role-played the concepts of the producer as one who produces goods and/or services and the consumer as one who consumes goods and/or services. The students showed they understood the teachers' role-playing examples as they took turns wearing the consumer and producer hats and giving their own appropriate examples.

In order to tie this lesson in with the previous concepts, we provided the students with signs labeled wants, needs, goods, services, and income and asked the students to raise their signs, or their hats, if an example of their economic term was given. All the children were

involved and enthusiastically waved their signs or stood at appropriate times.

We could see the evidence they were learning economics and our enthusiasm was increasing!

We likened circular flow to the water cycle and the food chain with illustrations on the chalkboard. We used the poster "Life of a Dollar Bill" which beautifully depicts the circular flow of money, goods and services.

We had "Life of a Dollar Bill" booklets for the students. With the aid of these resources we discussed how money begins (U.S. Treasury Bureau of Engraving and Printing) and how it is distributed (Federal Reserve Banks). We talked about how money circulates through the economy through households, businesses, financial institutions, and government.

The students were asked to pretend they were ten dollar bills and to write a story about what happened to them as they were a part of the circular flow. The stories were titled "A Day In the Life of A Ten-Dollar Bill." The stories revealed a good understanding of the concept of circular flow.

Weekly Reader articles were used to initiate discussion and define inflation. These cartoons and articles about high prices and President Reagan's plan to battle inflation provided the stimulus for our

discussion and activities on the "inflation" piece of our economic puzzle. The students shared some of their parents' concerns about inflation. They told personal experiences of how inflation had affected them.

As a group we composed an acrostic poem using the letters from the word INFLATION as the beginning letters of each line. The content of the poem is about inflation and its effects, and the children supplied the lines.

Income isn't enough
Needs cost more
Fuel is scarce
Labor wants more $
All of us are affected
Taxes are high
Interest on home loans up
Operating costs of business more
National problem

The students illustrated the increasing cost of goods and services (inflation) by inflating balloons. We took nine balloons and wrote a letter on each one, together spelling I-N-F-L-A-T-I-O-N.

We read to the students an excerpt on inflation from "The Story of Money" which told about Germany's inflation fifty years ago when the value of its paper money fell so low that currency was cheaper to burn than firewood.

We then dramatically talked about the necessity of bringing inflation under control in our country and as we named specific examples of increased cost, we popped a balloon. When the balloons were all

popped and the students were wide-eyed and concerned, we talked about the need for people to be educated in economics, and how our learning to be informed citizens and make good choices was going to help each of us economically and also help our country economically.

The booklet "Dollars and Sense - Your Inflation Guide" helped us better understand the complexity of the problem of inflation and the complexity of the solution. We kept the booklet in the reading center and used the concepts in discussions.

We gave the students an activity sheet to write their ideas about fighting inflation. These balloon-decorated papers were displayed in the hall with the INFLATION acrostic poem.

We began an activity on public enterprise by asking the students to name something that their parents really griped about paying. Some students answered "utility bills" but most of them answered "taxes."

We then presented the question, "What do we get in return for our taxes?" Most students said "nothing" and the closest correct answer was the student who said "insurance."

We viewed the film "Why We Have Taxes - Or The Town Without a Policeman." The follow-up discussion

of the film was very rewarding as students realized that they received very direct and tangible services from taxes their parents paid. We talked with the students about the relationship between lowering taxes and the resulting cutbacks in spending for tax-supported programs. We pointed out the work of the U.S. Legislature in determining how federal tax monies are spent and we asked the students to watch the news on committee hearings about budget cuts. We brought in the term "trade-offs" so the students could understand that compromises will have to be made in some areas in order to reduce taxes.

A city councilman provided us a slide and tape presentation on city services. This activity illustrated the concepts of revenue, public enterprise, and private enterprise. Revenue for city services was shown to include federal and state taxes (turnback) and local taxes such as utility and sales tax. The sales tax issue was especially relevant because the current session of the Arkansas Legislature had passed legislation granting cities the authority to levy a sales tax. The state-wide newspapers were covering upcoming elections in our capitol city (Little Rock) and its neighbor (North Little Rock).

We followed the election results to note that the

one cent tax passed in North Little Rock and failed in Little Rock. The students were better able to understand the economic implications relating to city services and revenue as we discussed the Little Rock-North Little Rock tax situation.

We also learned from the slide presentation the importance of citizens making their concerns known to government officials by writing them letters. We learned that city services are usually public enterprises. However, we discovered in our town that sanitation services were provided for a fee by private enterprise. We made a display of pictures about city services and the effects of inflation. This display was put in our school hallway for all students to observe.

We discussed the terms private and public enterprise and listed public enterprises on the board. The students discovered that the public enterprise with the most effect on their lives was the school. We examined what we knew about the organization of our school and made a bulletin board showing the chain of responsibility. We also formulated two economic questions that we wanted answered:

(1) Where does the school get revenue to operate?

(2) What effect does inflation have on our school?

We then invited key school administration people to speak to us. The students prepared some additional questions for each guest.

Mrs. Donna Rainwater, Food Services Administrator, created special interest in her presentation by providing snack food for the students. Mrs. Rainwater showed charts comparing the current cost of a school lunch to the cost of lunch four years ago. She talked about federal subsidies of school lunches through both money and food. Mrs. Rainwater discussed our local school subsidy. She pointed our that Reagan's proposed budget cuts might eliminate or reduce federal aid to the lunch program, and could result in much higher prices for school lunches.

Mr. Harvey Young, Superintendent of Schools, spoke to our students about school revenue, federal, state, and local taxes, and the problem of inflation as it affects the school budget. Mr. Young graphically illustrated the portion of our school budget that comes from one property tax source - Arkansas Power and Light Company's two nuclear power plants. Mr. Young showed the children a quart jar to represent all the school's revenue, and it was filled 80% to show AP&L's share. Mr. Young also talked about the biggest expense of the school, employee's salaries, and he related that part of the budget to the level of water in the quart jar.

In a preliminary discussion about the money to run the school, one child suggested that the superintendent provided the money. When asked about what was the biggest expense of the schools, many children replied, "buses" and some said "the electric bill." Mr. Young's presentation helped the students' better understand the economics of their school and the students later wrote him some enthusiastic thank-you letters for his visit. Since AP&L (Arkansas Power and Light Co.) was mentioned in some letters, Mr. Young sent them on to Jerry Mauldin, President of the company. Mr. Mauldin wrote Mr. Young a letter praising our efforts to further economic education. Mr. Young is the current President of the Arkansas State Council on Economic Education. Mr. Mauldin is also a member of ASCEE.

We completed a bulletin board concerning our school by writing reports about each visitor.

Our students had been learning economics concepts through classroom activities. We wanted to take our students out of the classroom and into the community for an activity that would both reinforce and expand our economics learnings. We selected the City-Mall to illustrate the puzzle pieces "market economy" and "private enterprise."

Our town has one mall and all students had

visited there at one time or another. Two weeks before our field trip we asked the students to observe the various types of stores in the mall if they had a chance to go there with their parents. We asked all of them to discuss the mall stores with their parents.

We provided a handout for the students to use in gathering information on mall businesses: Name of business, Does it provide goods, services, both? Is this business "wants" store, "needs" store, both? How does this store advertise? What consumer group would use this store? Is there a division of labor in this store? If so, give examples.

A few days before we went to the mall, the students made posters illustrating economic concepts they had researched about each store. Since the mall has eighteen different businesses and one vacant store, we had a good variety of information. Some students even made a poster for the empty store with the information that it had gone out of business. We made a map of the mall to ensure we had researched every business.

For our field trip to the mall we took our posters and plenty of tape. (We had received permission earlier to display "A Look at City-Mall with Economic Eyes" in a prominent area.) We put our posters up, then we discussed private enterprise and market economy. We talked about the economic concepts in our posters

while we admired them as we were seated on a carpeted area. We discussed consumerism and decision making.

We then walked around the mall making comments about each business. The empty store again provided a stimulus for a variety of comments, including ideas for a new business.

At the Shipwreck, a mall electronic games parlor, the manager was rolling coins. The store was not yet open, but through the glass we saw rolls and rolls of quarters - circular flow and banking - right there for students to recognize and they did!

Then it was time to go to Safeway, a mall business which had scheduled us for a tour. The students were excited when the manager opened the DO NOT ENTER door for employees and invited them in. This "behind the scenes" look captured their interest as the manager, Mr. Crafton, showed them how vegetables and fruits were kept fresh, how cardboard was recycled for an added $1000 income per month, how the burglar alarm worked, and what the freezers looked like. He pointed out the division of labor as he introduced the different workers in the store. We went into the meat market and a lady described her work.

The manager talked about consumers saving money by buying fruits in season and by buying the house brands.

In addition to the store selling cardboard for recycling, he told us the store's electricity was computer controlled from a city eighty-six miles away. These efforts were both for conservation of resources and to help offset the cost of inflation, he explained.

At the end of this economic look at the grocery store, Mr. Crafton gave each of us a juicy, red apple. We returned to our school knowing a lot more about economics in our community at City-Mall. We made a mural at school and wrote reports on the trip.

We left our display at the mall for about ten days. Students took parents to see it, mall business people looked at it, and a cross-section of the community noted our economic posters. We had been careful to have students put their first and last names on the posters because we were so proud of them. We had our school name and our room numbers displayed, too. We didn't realize we had omitted our own names as teachers, until Mrs. Bartlett was with some local college students who were talking about the great economic display at City-Mall, and asked "Who were the teachers in rooms 2A and 10A at Sequoyah Elementary School?"

We received two letters of appreciation for our display from mall business people. We felt the mall activity was very successful, in that it illustrated

market economy and private enterprise, as well as provided opportunity for review and seeing in action other economic terms we had studied from our Economic Puzzle (goods, services, wants, needs, consumer, producer, income, inflation, etc.).

Most students had a general understanding of the term "natural resources" so this knowledge was utilized to lead into the learning activities for our puzzle piece "productive resources." The terms produce, producer, and product were reviewed and linked to the work "productive."

We viewed the film "The Lorax" based on the book by Dr. Seuss. In the story a Whimsical Character manufactures a new product called a thneed. In the manufacturing process, natural resources (trees) are used, labor of people is needed, and machinery is developed and improved. The assembly line is used and more and more thneeds are made - but the environment is being damaged by litter and pollution. Trees disappeared at an alarming rate.

After the film, we discussed what productive resources were included, that is, what was needed to produce a product. The students recognized from the film that natural resources, workers, and machinery were necessary. We made lists of resources in and around our classroom and categorized them as human resources,

natural resources, or capital resources. The students made drawings to illustrate one of the resources from their list.

The booklet "Productivity in the American Economic System and Your Part In It" and the section on productivity in "You Are the American Economic System" provided us definitions and illustrations of the factors of productivity. These were both teacher and student resources and were kept in the economic reading center for reference.

We viewed the film "Division of Labor" which told the story of a toy factory. We saw how productivity was increased by use of assembly line, specialization of workers, and more streamlined marketing procedures.

To put the meaning of productivity on a personal level, we asked the students to look at their reading worksheets and workbooks that we had saved from first semester. Because the pages were dated, students could determine how many pages they had completed in one reading period. They were then challenged to exceed their highest previous total number of pages in a work period and thereby increase their own productivity. Students giving suggestions for how to do this offered "Don't talk - keep working." "Don't stop to sharpen your pencil.", and "Put off going for a drink or the bathroom."

The students were pleased that they could increase their productivity of workbook pages by being conscious of time-wasting activities. We wanted them to learn especially this human aspect of increasing productivity.

While we used our puzzle piece "decision-making" throughout our study (decision-making is related and necessary to all of our economics puzzle pieces), we wanted the students to realize their own importance, both now and as adults, as decision-makers.

We used the booklet, "You Are the American Economic System," for discussion and as a resource in our economics reading center. This colorful, attractive booklet presents a comprehensive, illustrated look at the American economic system with the focus on 'YOU-Your decisions in the market place run the system."

For our "decision-making" puzzle piece, we stressed the parts of the booklet on consumers, producers, and voters determining what the economy will produce, how it will produce it, and for whom.

We talked about "trade-offs" - compromises necessary because many groups of people may have many different goals. We went back to our previous learning about taxes and the disagreements about our national budget cuts.

We put our puzzle piece "economic goals" next to the puzzle piece "decision-making" because we went on

to stress that wise decisions are based on an understanding of the economic goals you are trying to achieve.

On the chalkboard we listed you, your school, your city, your state, your nation. We pointed out that some economic goals may have only to do with yourself - such as a goal of trying to save allowance money for a specific gift. The goal of reducing inflation was determined to be a common goal to all on the list. We pointed out that just because people have different economic goals does not make some people better than others. When these different goals are in conflict, in our democratic nation, we have many different ways to resolve our conflicts and reach agreement. The economic power of the people is in wise decision-making which boys and girls can learn by studying about economics.

We viewed the film "Choosing What To Buy." This film introduced the basic conflict of limited resources and unlimited wants. It illustrated the concept of opportunity cost and emphasized the importance of rational decision-making when buying in the market-place. A cross-section of families and their needs were shown as they made decisions about goods to buy. This film presented decisions involved in making purchases and it dramatized the pitfalls and the rewards of economic decision-making.

We could not get to our last puzzle piece

"interdependence" without having used its meaning in connection with previous puzzle pieces. Especially with producer and consumer, goods and services, we had pointed out that we as producers and consumers need each other for the goods and services to satisfy our wants and needs. We also reviewed specialization.

We used role-playing to show the dependency of a child on his family and the interdependent relationship of an adult family. On the chalkboard, we listed as many people and businesses we could think of who provided us goods and services we could not provide ourselves - doctors, repairman, electric companies, etc. The list was extensive just trying to limit it to those needs. To illustrate interdependence we selected someone from the list and talked about goods and services for which he would be dependent on others.

We also referred back to our activities on bartering where people traded items they could spare for items others had that they needed. Our Governor, Frank White, had just made a trip to the far East to seek a market for Arkansas products (rice, chicken) at a perfect time to coincide with our study. Discussion of this news item helped the students understand that world trade is very close to home and has a considerable impact on our state economy.

Our economic vocabulary extended beyond the terms

on the puzzle pieces. An on-going list of economic related words was kept on a bulletin board in the economic reading center. Each child had a vocabulary and definitions list for his economic puzzle workbook.

We played "Who Am I?" as definitions or examples would be given and students had to find the answer on the puzzle pieces bulletin board or on the vocabulary lists. We also had "on the spot quizzes" where the students were asked to give a definition or an example of given economic terms in their own words.

Our Economic Reading Center was an attractive area filled with books from our library and booklets we gathered from other sources (Advertising Council, Federal Reserve Bank, and Consumer Information Center). The students used the center throughout the study.

We involved the parents in our economic study in a very personal way by soliciting their input on coping with the cost of living. When the students had learned the meanings of terms such as employed, producer, consumer, goods, services, and cost-of-living increases, we prepared a questionnaire called the "People's Economy Poll."

The students took the questionnaires home for their parents when we felt the students would be knowledgeable about the contents. We also asked students to take additional forms to a neighbor, another relative, or

to a teacher in the building.

We received fifty completed survey forms. The results of the survey were shared in two steps. At our open house, we had a chart listing the total numbers of workers, consumers, workers producing goods, and workers providing services. Then we listed the nine areas of cost-of-living price increases in the order of concern. People responding to our survey were most concerned about the cost of food, utilities, and transportation, with few differences among the three categories. Taxes, medical, and housing followed, with the cost of clothing, education, and recreation coming in order at the end of the list.

We published the ideas for saving money that parents shared with us through our People Power Newsletter at the end of our economic unit. This was another way for us to emphasize the importance of the "people power" solution to our economic puzzle. We provided a great many "people power" inflation-fighting and economizing ideas for the readers of our newsletter. We sent the newsletter to the parents of our students, to people who had been involved in our study, and we also made it available in our school building.

Seeing and studying businesses at the City-Mall gave us an opportunity to "bait" the hook for starting our own business. We wanted the economic concepts we

had taught the students to be used in a personal, meaningful experience of free enterprise. We had a discussion on possible businesses we might start at our school. Many ideas were mentioned and eliminated by students and/or teachers because of initial cost, labor time involved, or other economic reasons.

Finally, the majority of students decided on something that we could sell to everyone throughout the building - paper hats. Some students were skeptical and said, "That's dumb - no one will want those." Those comments led to a discussion of what sells and why. Advertising and making your product meet a want and/or need were discussed relative to the paper hats and other products students had purchased.

Mrs. Price came to class the next day wearing a paper hat - personally decorated with a variety of lapel buttons and wrapped candies. While she gave away candy from her hat, she suggested to the <u>now</u> highly motivated students, that we sponsor a hat-decorating contest along with our hat sales. We talked about many ways of decorating the hats to make them unique. We decided to offer prizes for the best decorated hats.

After we had determined our prices and rules we went immediately to work on advertising! The date of the contest was set for field day, Friday, May 15. Manufacturing and sales were set for the preceeding

four days.

We used division of labor and assembly-line production methods to make the hats. We discovered that "productivity" was flourishing in the People Power Hat Company when the workers produced 130 hats in one 25-minute work period! We had the following specialists in our assembly line: paper sorters, suppliers, folders, tapers, staplers, inspectors, label-makers, and packers. The students realized that each specialist was important and needed to produce our product. The classroom was a beehive of activity as we made the hats, and we were proud of our accomplishment!

The ads placed throughout the building by our advertising workers were arousing interest. One student made announcements over the school intercom to publicize our sales. Our sales booth was set up in the cafeteria for two mornings prior to the start of classes. We sold hundreds of hats. As sales dropped off, the last morning, we had hats in stock so we decided to reduce the price from 10¢ to 2¢ each for the kindergarten classes. Their teachers purchased the hats so they could have another hat activity in addition to our decorating contest. Interested adults and students from the first through fifth grades in our school had purchased hats. The excitement increased as these consumers planned how to decorate their hats. The

People Power Hat Company closed its booth and carried the filled money box back to the room.

Twenty-three dollars was collected by the People Power Hat Company Sales Department. Expenses of five dollars for the prizes were deducted. All hat company personnel attended a meeting to discuss what to do with the money. One student suggested dividing it up equally. The teachers suggested that management earned more! We offered the suggestion of purchasing something to help us remember our free enterprise adventure. Our discussions led to the decision to buy an economics book for the school library with part of the money and buy a treat for each worker with the rest. We selected the book How to Turn Lemons Into Money by Louise Armstrong. We ordered the book and it will have a dedication page telling the story of the People Power Hat Company when placed in our library.

One of our most important culminating activities was our Economic Open House. Invitations were sent to parents, school supervisory personnel, and co-workers. This was held at night because our survey had shown us we had lots of workers in our families.

The students' folders, displays, and bulletin boards were abundant, colorful, and informative. Students guided our visitors through their economic exhibits. A tape recording of the students' singing our theme

song, "It's People Power, U.S.A.," played as background music. Parents were impressed with the quality of the students' work and pleased that their children were learning to understand more about economics. We gave our visitors a handout containing some of Benjamin Franklin's sayings that were concerned with economics in the 1700's. The handout posed the question, "Would Benjamin Franklin's ideas on money help you in today's economy?" We asked the parents to use the sheet for discussion with their children.

The People Power Hat Company had designed, produced, advertised, and sold its entire stock of Field Day Fun Hats. Field day had arrived and the hats were gloriously, fantastically, and beautifully decorated by eager contestants. Some adults in the building were asked to judge the hats as the children browsed through the RIF (Reading is Fundamental) book display in the cafeteria. The atmosphere was pure pleasure as students were allowed to choose a free book, gazed at the hats of students from other rooms, and showed off their own creations. The judges mingled with the students and other adults and were not identified to the students. The hats were so fantastic, the judges had a difficult task. Creativity was alive and well at Sequoyah!

Prizes of Baskin-Robbins coupons and ribbons were awarded to students in the primary level and the upper

elementary level. The winners were announced over the intercom near the end of the day. Winners were asked to wear their hats to the principal's office to receive their prizes and have their pictures taken.

Our principal was very pleased and impressed with the school participation, enthusiasm, and obvious enjoyment this project had brought to our field day activities. Many staff members decorated hats to fit their personalties. Our cafeteria workers decorated their hats with plastic models of food and flowers and wore them while serving lunch.

The success of the Hat Decoration Contest sponsored by the People Power Hat Company was perhaps the most personally-satisfying culminating experience of our economic study! The recognition we received throughout the school and the feeling of having contributed a great economic activity for the enjoyment of the total school made us very proud.

We published the People Power Newsletter as our last report of our economics activities. The students took the newsletter home on the last day of school. They were excited about the official news story of the success of the People Power Hat Company and they were interested in reading about the results of the People's Economy Poll. Many students recognized that other families were doing some of the same things their own

families were doing to cut expenses. They carried the newsletter home eager to share it with their families.

As teachers, we believe this comprehensive economic study and the economic concepts learned helped our students feel less fearful about the economic future of the U.S.A. and more confident in their own abilities to learn and understand.

The economic post-test was fun for the students and rewarding for their teachers. Questions that were outrageously false (such as, most babies are productive resources) made them want to laugh; when during the pre-test, they merely looked puzzled. It was rewarding to see the recognition and understanding on their faces. This understanding was reflected in their scores - our students significantly improved their understanding of economic concepts as a result of our study.

The classroom mean for the pre-test was 13.00 yielding a percentile of 13. The mean for the post-test scores was 18.84, giving a percentile of 80. We were delighted with this gain of 67 percentile points. Our intensive and comprehensive study produced results on the PTEU.

Other evaluation criteria by which we judged our economic study to be successful in meeting our goals included observation of student behavior, students' written reports, parental comments, co-workers impressions,

our principal's assessment, and commendations from business people (community and state).

We know the students learned economics, and we believe they developed a more positive attitude toward economic problems. We received many comments about the enthusiasm and interest the students exhibited during the study. We know the remedial reading students improved their reading skills, increased their self-esteem, and gained economic knowledge by being able to participate in this project.

Our students were the envy of the school because of our entrepreneurial adventures! Our economics study had not only touched our homes and school but we knew we had created a more positive attitude toward economic education among many people throughout our community. Yes, people power is the solution to economic education!

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